

13 541487 JAN-22

WEATHER FORECAST.
Cloudy and warmer to-day; snow or rain to-night and to-morrow.
Highest temperature yesterday, 16; lowest, 7.
Detailed weather reports will be found on editorial page.

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THE NEW YORK HERALD

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THE BEST IN ITS HISTORY.
The New York Herald, with all that was best of The Sun intertwined with it, and the whole revitalized, is a bigger and better and sounder newspaper than ever before.

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HYLAN STARTS NEW TERM WITH PLEDGE OF BETTER SERVICE

Efficiency, Economy, Honest Work by Employees and Courtesy Promised.

BAN ON CITY SHIRKERS

Civic Pride, Sacred Duties, Home Rule and Cost of Living Exploited.

THRUST MADE AT ALBANY

Tammany Begins 1922 With Tighter Grip Than Ever Before on Metropolis.

John F. Hyland began another four year term as Mayor of the city of New York yesterday. Charles L. Craig started his second term as Comptroller and Murray Hulbert took office as President of the Board of Aldermen. All are Democrats. Mr. Hulbert succeeding F. H. La Guardia, Republican.

With five Democratic borough presidents and only Democratic officials in four of the five counties Tammany Hall is in more complete control of city and county government than it has been in more than twenty years. Peter S. Seery, elected Sheriff of Kings county in November, and John E. Ruston, appointed District Attorney of Kings to succeed Justice Harry E. Lewis, and the Sheriff and District Attorney in Queens county are the only Republicans holding elective office in either city or county governments. The first two went into office yesterday.

For the first time in the history of the city or any of the counties comprising it a woman began her duties as an elective official, Miss Annie Mathews taking charge of the office of Register of New York county.

Julius Miller assumed the duties of Borough President of Manhattan, succeeding Henry H. Curran, Republican. Matthew P. Cahill became President of Richmond county in place of Calvin D. Van Name. Edward Riegelmann, Henry Bruckner and Maurice P. Connolly began new terms as Presidents of the Boroughs of Brooklyn, The Bronx and Queens respectively.

Mayor Takes Oath Again.

In previous years Incoming Mayors have been inaugurated in the Mayor's reception room opposite his office. Mayor Hyland yesterday elected to have the ceremony in the Board of Estimate chamber on the second floor, where he holds more people. The benches had been removed and small chairs put in their place. A platform had been built in the wall just below the balcony of the chamber, from which the Mayor delivered a 3,000 word inaugural speech.

The Mayor and the corridors leading to it crowded when the Mayor entered and took his oath in the platform. Beside Mrs. Hyland, Mr. Hulbert, Justice William P. Burr of the Supreme Court and John P. Slinnot, the Mayor's secretary. Although both had taken the oath of office last week, the Mayor and Mr. Hulbert were sworn in again.

The Mayor congratulated himself and his colleagues on their victory in the recent election. It was not a personal tribute, but a triumph to the work done for the people, he said. The issue had been whether the people of the city wanted to rule or have the city-State politician manage things here. Briefly admonishing his newspaper critics, the Mayor declared the next four years must be years of exertion and execution, not inaction and relaxation.

He warned his commissioners that they must exhibit a plain and simple standard in public and private life, practice economy, see that a full day's amount of work be given for a full day's pay, be polite and courteous to the public and avoid "individualism and extravagance which seek to ingratiate themselves with the city government for the purpose of advancing private and sinister designs."

Resents Albany Interference.

Some attention was devoted to what the Mayor called "burdens imposed by the Legislature"—the Transit and Public Service commissions and the Port Authority. The Mayor said he wanted to indicate the Mayor was not opposed to aggregations of corporate capital because of their size or wealth but because "their conduct and their inordinate selfishness." He pledged himself to try to reduce the cost of living. He enlarged upon civic pride and promised to push forward in the paths of progress already blazed.

At the end of his speech the Mayor swore in his department heads, there being a change except in the case of Delaney because Dock Commissioner to succeed Murray Hulbert. His favorite, David Hirschfeld, received the oath first as Commissioner of Accounts.

There are three vacancies in the official family, one in the Department of Taxes and Assessments, caused by the death of Commissioner Joseph J. O'Grady recently; one in the Municipal Service Commission, where Thomas R. Killian was not reappointed, and one in the Board of Health, where Maurice Simmons was not reappointed.

Julius Miller, the incoming President of the Borough of Manhattan, received several hundred friends in the offices in the Municipal Building. Several of his women relatives, unable to restrain themselves during the ceremonies, started kisses on the cheek of the new official. Then they cried. When his mother burst into tears Mr. Miller embraced and kissed her. Maurice B. Himmelfarb, who is blind, told how he and Mr. Miller had risen together from humble beginnings.

Mayor Hyland's speech in full follows: "We enter upon a second term of office with the most enthusiastic vote of confidence ever bestowed upon a city administration."

Continued on Page Eight.

Bomb at Band Concert Injures Fifty in Bavaria.

BERLIN, Jan. 2 (Associated Press).—A bomb exploded among the crowd listening to a band in the market-place of Oettingen, Bavaria, on New Year's eve, injuring fifty persons, twenty or them seriously. The thrower of the bomb, a youth, and several other persons were arrested.

ALCOHOLIC PATIENTS CROWDING BELLEVUE

Forty Cases in Two Days Said to Set Record for Whole Dry Era.

MAN, 62, DIES AFTER FALL

Girl of 18 One of Victims of Holiday Revelry With Bad Liquor.

One man died yesterday from acute alcoholism, another found dead on the sidewalk was found to be suffering from a fractured skull and alcoholism and scores of persons are in hospitals because of overindulgence in bad liquor in celebrating the New Year's holidays. It cannot be stated officially at this time just how many people died from drinking, as the report of the Medical Examiner's office will not be available for a few days. On Sunday poisoned drinks killed a woman and two men.

From early yesterday until last night the police picked up persons suffering from intoxication and sent them to hospitals for treatment. In most instances the cases were pronounced as alcoholic poisoning. A few are in a serious condition. Others received treatment and were sent to their homes.

From midnight Saturday until the same time Sunday nineteen men and three women were treated for alcoholism in Bellevue Hospital, and from midnight Sunday until 10 o'clock last night sixteen men and two women were treated for the same cause, making a total of forty for the two days. It was stated that this was the largest number for any two day period since the Volstead act became effective.

Injured Man Dies.

James Cassidy, 62, of 153 West Eighteenth street, who was admitted to Bellevue Sunday morning, died yesterday from the effect of alcohol. An injury to his head was a contributing cause.

John Bailey, 50, of 106 Sixth avenue, was found early this morning lying on the sidewalk in front of 310 West Twenty-third street. He was taken to Bellevue Hospital where physicians said he was suffering from a possible fracture of the skull and alcoholism.

An unidentified woman about 36 years old was found suffering from alcoholic coma early in the morning in a hallway at 608 Second avenue. She was taken to Bellevue. Her case was recorded as serious.

An unidentified man was found unconscious at Henry and Catharine streets and taken to Bellevue. He is described by the police at 50 years old, 5 feet 7 inches in height. He wore a dark mixed suit, black overcoat, brown lace shoes and black socks.

Michael Barrett of 82 Prospect place, Brooklyn, is in Bellevue suffering from alcoholic paralysis. He was picked up in West Forty-seventh street by a patrolman.

William Curran, an employee of the Manhattan State Hospital on Wards Island, was removed from 2274 First avenue and is in the Harlem Hospital suffering from overindulgence in some sort of alcoholic beverage.

Naldon, flagman of 431 East Seventeenth street is in Bellevue for alcohol poisoning after having been found unconscious in front of 340 East Seventeenth street.

Martha Schaeffer, 18, of 423 East Eighty-second street was treated for acute alcoholism at Bellevue. She was taken to the institution.

Stephen Roddy of 148 West Ninetieth street was taken from his home to Bellevue suffering from alcoholism and lacerations of the head. Charles Hoffman of 111 East Twelfth street also is in Bellevue under treatment for alcohol poisoning.

Harold Noble of 681 Sterling place, Brooklyn, after falling in the subway station at Mott avenue and 149th street, was removed to Lincoln Hospital with lacerations of the head and is a victim of some kind of hard liquor.

Walter Edmonds, a sailor living at 15 South street, was found unconscious in the subway station at Lenox avenue and 135th street. He was removed to the Harlem Hospital and later sent home as recovering from the effects of alcohol.

Michael A. Donnell of Greenville, N. J., was removed from an apartment at 220 West Twenty-third street to Bellevue with lacerations of the scalp and alcoholism. He told the hospital authorities he fell against a piano.

Despite wet conditions in the city during the New Year's celebrations, R. Q. Merrick, assistant chief prohibition enforcement agent, who is in charge of the few raids, said the enforcement here during the holidays was "successful."

"Enforcement a Success."

On Friday it was announced at Prohibition headquarters that 260 agents were on duty during the New Year's celebration, New Year's eve, Sunday and yesterday. Mr. Merrick disclosed that only fifty agents were out hunting for violators. The results obtained could not be considered other than satisfactory. Mr. Merrick, who is from the moonshine districts of North Carolina, is the first assistant of John S. Parsons, recently appointed chief detective.

Ralph A. Day, Federal Prohibition

Continued on Page Five.

FLAMES END DANCE, RAZE WESTCHESTER COUNTRY CLUB HOME

Members in a Bucket Brigade Vainly Seek to Check Fire.

WATER SUPPLY FAILS

Tide Out and Battery of Engines Race to the Scene in Vain.

PLACE LOSS AT \$250,000

Trophies and Fine Furniture Lost With Old Colonial House.

Five blackened chimneys rising from five log cabin fireplaces are all that is left of the fine Colonial home of the Westchester Country Club in the Bronx, which was burned to the ground yesterday afternoon with most of its contents, including old furniture, trophies and coats and wraps of members whose New Year dance was interrupted by the flames.

As the nearest city hydrant was a mile away and the tide was out of Eastchester Bay, an arm of Long Island Sound which the clubhouse overlooked, the firemen could do little but watch the progress of the blaze, which was in full sweep when they arrived. Club members and employees did what they could with buckets, but were soon driven off. The surrounding buildings, including garages and bowling alleys, were saved.

The Westchester is one of the oldest country clubs in the United States. It was organized in Pelham in 1876. The three story house now destroyed was built in 1888. The club has sixty-five acres covering open splendid views of the Sound and the rolling Bronx. Many well known men and women are members. Among them are W. K. Vanderbilt, Jr., Clarence H. Mackay, Edward C. Randolph, George S. Nichols, Charles P. Church and Thomas Potter. The president is George Townsend Adee, a member of the New York Stock Exchange; the treasurer is Eugene H. Rosenquist, president of the Bronx Gas & Electric Company, and the secretary Gilbert Ferris. All three took part in the futile fight to save the building.

Flames Halt Dance.

About 150 persons were dancing in the main ballroom on the ground floor. Most of them had lunch on at the clubhouse and intended to stay for dinner and a show that was to be staged last night. In other words, the club was keeping an open house with an all day celebration of the holiday.

Smoke curling from the roof near a chimney at the southwest corner of the house caught the eye of a caddy at 4 o'clock. He told the officers and the superintendent, Walter E. Kane. The fire broke out in the main ballroom, where a band of musicians and dancers ran out of doors. In this rush many wraps were forgotten and could not be recovered. A trapezoidal contest on a range near the clubhouse also was called off. The sportsmen hurried to the clubhouse and joined the rest of the crowd in amateur fire fighting.

Hand extinguishers were carried up two ladders to the roof. The heat of the fire was found to be beneath the shingles and unreachable. Other men grabbed a roll of hose in the tool house and attached it to the hydrant of the club's private water line. There wasn't enough pressure to raise the water to the roof. Naturally the next move was the formation of a bucket brigade. Half of water were passed along a line across the lawn and up the ladders. A sudden, wide burst of flame from the roof made it impossible to continue this.

Gale Drives Flames.

A bitterly cold northwest gale sent the fire roaring along the roof and in a few minutes the upper part of the structure was in flames. The heat was unbearable. Two and a half miles away, raced Acting Deputy Chief Bernard Carlock of the New York Fire Department and Engine 61. He turned in a second alarm, but the fire was too big. Engine 61 tried out the hydrant on the club property, but the water was insufficient. Carlock sent two engines to the club pier to pump water from the Sound, but the tide was out and the men could not stretch a line far enough to get a good stream.

In the early stages of the fire firemen and a squad of policemen under Inspector George C. Liebers carried out some furniture and the club records from the first and second floors. They were unable to reach the paintings and antiques, and the club had a rather valuable collection. When the whole house was buried in flames and all one could do was warn one's self by it some of the club members seated themselves in rockers and watched the flames from the balcony of the clubhouse.

Firemen Fight Bravely.

The firemen made almost a record for long distance hose connecting. One engine company coupled to a hydrant at Eastern Boulevard, nearly a mile from the clubhouse; another took up the relay half way to the house and a third worked near the house itself. Thus they pumped water through a mile of hose. But by this time, two hours after the fire had started, the building was a wreck. A fireboat came up the East River and found only ruins.

In one of the trophy rooms was a collection of arms that were heirlooms and shotguns that had been used in prize contests. These, Superintendent

Continued on Page Three.

58 Votes in the Dail for and Against Treaty

DUBLIN, Jan. 2 (Associated Press).—Virtually all the members of the Dail Eireann are in Dublin to-night for the resumption of the sessions of the Dail to-morrow to give further consideration to the peace treaty with Great Britain. As far as could be gathered the Christmas recess has not materially altered the lineup for and against the treaty.

It had been supposed the campaign in the country for ratification, supported by pronouncements of the Irish Bishops and by resolutions not only of public representative bodies but of important units in the Sinn Fein organization, would have weakened the attitude of some of the opponents of the treaty and induced them to vote in its favor.

An estimate made by one of the political leaders on the eve of the adjournment of the Dail gave fifty-eight votes on each side, with four votes doubtful or "abstentionist."

As the treaty was made by one of the political leaders on the eve of the adjournment of the Dail gave fifty-eight votes on each side, with four votes doubtful or "abstentionist."

GIANT ROUTS SEVEN BANDITS, TAKING GUN

Watchman, Pistol at Stomach, Knocks Out Leader and Wounds Three.

FOUR OTHERS ARRESTED

Police Beat Burglars—Shots Fired Making Arrests at Midwood.

Seven men in Atlantic avenue near Kingston avenue, Brooklyn, last night held up Harry Wansick, 35 years old, a night watchman, and had the biggest surprise of their lives.

The leader of the band stuck a gun in Wansick's stomach and shouted "Throw up your hands!" Instead Wansick threw up both fists and knocked the gunman flat. The weapon went off in the air and fell to the street. Then Wansick, who is 6 feet 2 inches tall and weighs 220 pounds, waded into the other six. One of them possessed a knife and slashed Wansick's wrist before he could take it from him.

By the time Patrolman George Windst of the Atlantic avenue station arrived, Wansick, armed with the gun and the knife, had wounded or put to flight all of his assailants. Three were lying on the pavement with stab wounds in their arms and hands and begging for mercy. Later seven men were rounded up and taken to the police station.

The prisoners gave their names as follows: Max Zimowitz, 19, 205 Chestnut street, said to be the owner of the gun; Abraham Wildoch, 27, 579 Dumont avenue, suffering from a stab in the left hand; Isadore Lazowsky, 18, 326 Watkins street; Abraham Goldwin, 19, 344 Osborn street, stabbed left arm; Alfred Levine, 20, 173 Riverside avenue; Casey Ivanoff, 27, 443 Fifty-first street, stabbed right hand, and Louis Horowitz, 24, 255 Watkins street. All are charged with attempted robbery and assault.

The Midwood section of Brooklyn, between Flatbush and Sheepshead Bay, was aroused early yesterday by shots fired by four policemen in a rough and tumble fight with burglars. Patrolman John T. Morrow saw three men breaking into a plumbers' supply store at 1691 East Fourteenth street. He sent for help and then crawled into the aperture which the man made in the barred window.

Morrow found that the burglars had tunneled through a brick wall into a real estate office and then through a wood partition into a dry goods store. When he overtook them they escaped through the back window of the dry goods store, where Sergeant John Bridgman and two other officers were waiting.

A dozen shots were fired before the policemen took their prisoners. Two of the men arrested were so badly beaten in the hand to hand fight that they were unable to stand. The third, Joseph Kramer, 22, 29 Maple street, Brooklyn, was held in \$5,000 bail for appearance Thursday in Coney Island Court. The fourth, a man named as Emerich Prusack, 21, 32 Desbrosses street, and Movchik Schlarper, 21, who refused to give his address, they are in Coney Island Court.

Patrolman Morrow sprained his ankle climbing a fence.

ENGINE GAS KILLS BOY AT MOTOR CAR WHEEL

Son of A. W. Murray Is Found Dead in Garage.

Reginald Murray, 19, son of Albert W. Murray, yard superintendent of the Morris Dry Dock and Repair Company, Brooklyn, was found dead yesterday morning sitting at the steering wheel of his father's automobile in a garage at 57 Eighty-sixth street, Brooklyn. His death was said to be due to carbon monoxide poisoning caused by fumes from the exhaust of the automobile's engine.

The boy was found by his father, who had walked up all night for him to come home, after he had left the afternoon before to get the car and take a ride.

CHILE WILL REPLY THIS WEEK

SANTIAGO, Chile, Jan. 2 (Associated Press).—It was intimated at the Ministry of Foreign Affairs to-day that the answer to be sent to the latest note from Peru on the Tacna-Arica question will be decided upon in the return of the cabinet members to Santiago after the holidays, probably Wednesday or Thursday.

DENIES ALFONSO IS COMING.

LONDON, Jan. 2.—A Reuters dispatch from Madrid says reports to the effect that King Alfonso of Spain, anticipates visiting the United States and Latin America, are unfounded.

DAIL EIREANN VOTE ON IRISH TREATY TO BE VERY CLOSE

Majority in Favor Will Depend on Abstentions, Not Conversions.

HINGES ON A REPUBLIC

Unanimity Unquestionable in Country, Which Was Never So United.

STREET SONGS OF PEACE

Christmas Spirit Relieved to Great Extent Feeling of Tension.

Special Cable to THE NEW YORK HERALD. Copyright, 1922, by THE NEW YORK HERALD.

DUBLIN, Jan. 2.—With twelve days of respite from the debate in connection with the treaty creating the "Free State of Ireland," members of the Dail Eireann returning for the resumption of the sessions to-morrow indicate that despite the great popular demand for ratification the vote will be very close.

As to the leaders of the Dail, THE NEW YORK HERALD correspondent discovered, all efforts to reach a compromise between them have failed and a new flood of bitter oratory may be expected to-morrow. Optimists figure that there will be at least three days of talk before a vote is taken. The issue will be between straight ratification and an outright demand for a republic. It is anticipated that the result will be affected largely by the number of the Dail members who abstain from voting.

Country Is Unanimous.

Outside the Dail the unanimity in Ireland is unquestionable. Perhaps never before in the memory of living Irishmen has the country been so truly united on any important issue. The churches are for peace, business is for peace, traders and shopkeepers are for peace and even the people in the streets have been singing—about the wonderful possibilities before the country living in peace. "When There Is Peace in Old Ireland" has been one of the Christmas carols here, and while it was not much as a song, it reflected the spirit of the people.

There is every indication that when the Dail meets to-morrow there will be in that assembly a far different spirit than the one which has been in it during the recent past. The prospect of adjournment and the Christmas spirit relieved to a great extent the feeling of deadly earnestness and the tension caused by the knowledge that the decision would be a fateful one. There still are more than three score members of the Dail who desire to speak on the subject. Michael Collins wants them all heard.

25 Counties Ask Approval.

The voice of the Irish people would be heard in the Dail to-morrow when the 25 counties will be asked to endorse the treaty. Even the most ardent supporters of the treaty have been requested by their constituencies to change their attitude regarding the treaty and vote for ratification. This opens a debatable point as to whether the representatives of the counties should obey their own conscience or the voice of their electors, and there is reason to believe many members who are in such a predicament will rather abstain from voting than go on record against the treaty in the face of these popular expressions.

Michael Collins seems buoyant, full of confidence, busy and determined. His correspondent here to-day he declared the treaty was going through.

Mr. de Valera, when seen at the Mansion House, wore the worried, nervous look which he has been unable to shake off since the Sinn Fein delegates returned to Dublin from London.

REPUBLIC THE DEMAND OF DAIL EXTREMISTS

They Establish a Newspaper to Carry On Fight.

DUBLIN, Jan. 2 (Associated Press).—No possible basis for a compromise with Dail Eireann on the ratification of the treaty seemed to exist to-night, for the whole controversy apparently now is turning on the fundamental principle of a republic or no republic. Mr. de Valera and his friends contend that the treaty represents an abandonment of the republic and is in violation of the principles on which every member of the Dail was elected. His opponents, while they minimize the importance of the concessions made by the oath of allegiance and otherwise to the principle of association with the British Empire, argue that the treaty gives them virtually all they ask for, or, as Michael Collins, the Minister of Finance, puts it, "the substance of freedom and the means to achieve it."

All the indications to-night point to the determination of the Republican party, whether they win or lose in the Dail, to carry on their fight. Many of the members seemingly, if anything, tonight were stronger in their hostility to the treaty than when the Dail adjourned, gauged by their utterances. The vigorous press campaign in favor of the treaty apparently has had upon their minds an effect opposite to that intended. They point out that there is nothing to achieve it.

Continued on Page Two.

AMERICA MUST AID EUROPE IN ECONOMIC UPBUILDING HARVEY IS TOLD BY BRITISH

WILL TAKE NO RESERVATION SAVE ON JAPAN'S HOMELAND

Special Dispatch to THE NEW YORK HERALD. New York Herald Bureau, Washington, D. C., Jan. 2.

REPUBLICAN leaders announced to-day that they would fight any and all reservations to the four Power treaty that would tend to limit its scope, with the possible exception of a reservation to exclude the mainland of Japan from its provisions. A protocol declaring that the agreement does not cover the mainland of Japan, it is expected by the leaders, will be adopted by the arms conference.

The Republican leaders take the view that such reservations as have been suggested by Senator Borah and other irreconcilables would vitiate the purpose and intent of the treaty, and would impair it not completely obliterate its purpose.

The opinion prevails among the friends of the treaty that there has been no change in the sentiment in the Senate over the agreement, and that it will be ratified in the shape in which it comes from the conference. However, the indications are that Senators McNary (Ore.), Reed (Mo.) and others, besides Senator Borah, will submit all sorts of reservations when the compact comes before the Senate.

In that event Senator Lodge and the other Republican leaders will declare that the treaty as written does not bind this nation to any military agreement to back up the other signatory nations in case there is any dispute over insular possessions in the Pacific. Friends of the treaty will point out that its adoption merely means a closer friendship among the signatory nations, and will tend to develop trade relations.

TWO CHICAGO BANKS SOLD; AVERTS CRISIS

Fort Dearborn National and Savings, With \$85,000,000 Resources, Bought Up.

DEPOSITORS PROTECTED

Two Other Institutions Take Over Business—Clearing House Blames Loans.

CHICAGO, Jan. 2.—Two Chicago banks with resources of more than \$85,000,000 were sold to-night after the Chicago Clearing House Committee had conducted an examination and found their assets had been impaired by bad loans and investments.

After two days' negotiation the Fort Dearborn National Bank and the Fort Dearborn Trust and Savings Bank were purchased by the Continental and Commercial National Bank and Continental and Commercial Trust and Savings Bank.

Members of the Clearing House Committee pooled guarantees totaling \$2,500,000 to protect depositors against any loss.

The Clearing House announced that after a special examination of the Drovers National Bank and the Drovers Trust and Savings Bank, owned by the same interests as the Fort Dearborn banks, both institutions had been found to be solvent. All directors representing the old Fort Dearborn interests in the Drovers banks resigned and were replaced by new men.

Averts Financial Crisis.

William A. Tilden, president of the Fort Dearborn banks, called in the Clearing House committee last Thursday and asked assistance in straightening the affairs of the two institutions. By to-night's merger, bankers said, the most serious financial crisis which has threatened La Salle street since the collapse of John R. Walsh's Chicago National Bank more than a decade ago was averted.

The Fort Dearborn National Bank had nearly 7,000 depositors and deposits of \$51,124,749.48 when it made its last public statement under the national bank act of September 6, 1912. The Fort Dearborn Trust and Savings Bank had 37,000 depositors, with deposits of \$9,081,056.76 at that time.

The National Bank was founded in 1837 with a capital stock of \$2,000,000. In 1917 this was raised to \$3,000,000, and in 1919 the total was brought up to \$5,000,000. The savings and trust institution was founded in 1911 with a capital stock of \$500,000.

The difficulties of the Fort Dearborn banks are credited by the clearing house committee to bad investments made by Edward Tilden and Company—the Tilden estate.

Following announcement of the merger to-night, J. B. Forgan, chairman of the committee, issued a formal statement which said:

"Owing to the over extended condition of Edward Tilden & Co. and some other causes, the committee, after a long and careful investigation, has decided to take over the business of the two Fort Dearborn banks. The Chicago Clearing House Association agreed to furnish guarantees to the extent of \$2,500,000, satisfactory to the Continental and Commercial National Bank and the Continental and Commercial Trust and Savings Bank."

Depositors Are Protected.

"It was realized that under these circumstances it was necessary to take such action as would protect the depositors in the Fort Dearborn National Bank and the Fort Dearborn Trust and Savings Bank, who, of course, have a prior claim on the entire assets of the two banks. The officers and directors of the Fort Dearborn National Bank and the Fort Dearborn Trust and Savings Bank, entered into negotiations, as a result of which the members of the Chicago Clearing House Association agreed to furnish guarantees to the extent of \$2,500,000, satisfactory to the Continental and Commercial National Bank and the Continental and Commercial Trust and Savings Bank."

Continued on Page Two.

TOKIO TRIES TO DEAL DIRECT ON SHANTUNG

Chinese Delegation Disturbed by News of Overtures to Peking.

DELEGATES TAKE COGNIZANCE OF IMPASSE.

Special Dispatch to THE NEW YORK HERALD. New York Herald Bureau, Washington, D. C., Jan. 2.

Disquieting information is reaching the Chinese delegation in Washington to the effect that the Japanese Government is trying to negotiate directly with the new Peking Government for a settlement of the Shantung question outside the vision of the conference.

The Chinese delegates are not made the more comfortable by the fact that it is apparent the delegates of other Powers in the conference regard the Shantung dispute between China and Japan as an embarrassment which they would like to avoid.

Failure to have the Shantung issue decided either in the conference or under its observation so it would appear to have international approval will be regarded by the Chinese as fatal to any hope of settlement of this question or of the Manchurian problem which will satisfy the Chinese people.

Will Appeal to Conference.

In view of this situation the Chinese delegates will urge at the outset, when the conference reconvenes this week, that the delegates take official cognizance of the impasse that has been reached in the "conversations" between Japan and China over Shantung and will request that the conference consider the Sino-Japanese agreements growing out of the Japanese "twenty-one demands."

This will precipitate a crisis in the consideration of Far Eastern affairs and will compel consideration of this question which has been allowed to merge in the background pending the more eager interest in the battleship question and the problem precipitated over submarines.

The necessity of grappling with the Far Eastern problem together with the decision that must be reached concerning the Root resolutions dealing with the proposed new regulations of international law preventing the use of undersea craft as commerce destroyers, indicates the closing period of the conference will possess intense interest.

French May Not Be Ready.

Before seriously considering anything else the delegates will take up in committee these final issues of the submarine question. This question was to have been taken up to-morrow, but to-night it was intimated that the French might not be ready to go on with the discussion, thereby causing another day's delay. This attitude may change before the time of holding the committee meeting has elapsed. The submarine question at this stage may be summarized thus:

French action has made regulation of numbers of submarines impossible by this conference.

The committee of fifteen has approved in principle the resumption of accepted international law that submarines shall not attack merchant ships.

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ASKS COOPERATION

English War Secretary Says This Country Is Essential to Success of Consortium

WANTS AID AT CANNES

Ambassador Replies Position Will Be Made Known When Matter Comes Up.

FRENCH ACCORD SOUGHT

Entire Submarine Question to Be Threshed Out by Lloyd George and Briand.

CANNES, Jan. 2 (Associated Press).—The plan of David Lloyd George, the British Prime Minister, for an economic rejuvenation of Europe and the results of the meetings in Paris by bankers and business men of the allied countries were outlined to George Harvey, the American Ambassador, to-day by Sir Laming Worthington-Evans, the British Secretary for War.

The Associated Press is informed from a reliable source that Sir Laming made it clear that Great Britain regarded the participation by the United States as one of the essentials if the consortium proposed in Paris is to succeed. Mr. Harvey is understood to have replied that the United States will not make known its position until the plan is formally brought up before the Supreme Council.

In British circles the expectation is that Mr. Harvey will actively participate in the economic discussion at the Supreme Council. Mr. Harvey has Myron T. Herrick, the American Ambassador to France, had a long conference to-day at which the economic conference and other questions coming up before the conference were considered. Mr. Herrick put Mr. Harvey in touch with the problems which have been before the Council of Ambassadors.

Anxious for France to Join.

Sir Laming had previously reported the results of the Paris economic meeting to Mr. Lloyd George, who was greatly pleased over the outcome. He is reported to be eager to whip the consortium plan into shape, and this problem will be one of the first things to be discussed at the preliminary meeting between him and M. Briand.

Mr. Lloyd George hopes to convince M. Briand of the necessity for making the scheme operative as soon as possible, and if M. Briand and Mr. Lloyd George agree on definite proposals it is probable the United States will be asked to participate in the plan, making possible Mr. Harvey being included in the discussions at the council.

It was learned from an authoritative source that the entire submarine question may be thrashed out between Premier Lloyd George and Premier Briand at their initial talk when the French Premier arrives here, and that the discussion of this subject at Washington may mark time while the two Premier try to iron out the difficulties. Mr. Lloyd George is said to be anxious for the complete success of the Washington conference, because he believes on it depends the success of the economic conference.

The coming here of Marquis Curzon, the British Foreign Secretary, makes increasingly clear, according to the British, that the meeting of the allied Foreign Ministers on the question of the "Twenty-one demands" will be held at Cannes, instead of Paris, immediately after the Supreme Council, which is expected to sit for ten days.

Briand for Franco-British Pact.

LONDON, Jan. 2 (Tuesday).—On the eve of his departure for Cannes to take part in the meeting of the Supreme Council Premier Briand gave a statement to the Daily Mail's correspondent in Paris, the gist of which follows:

"The key to the whole European situation is France's safety. Let there first of all be a pact or alliance between Great Britain and France—a pact which would defend and asked for, but have not obtained."

"Such a pact would be the platform on which the reconstruction of Europe could best be based. It would also be the best proof that our naval building program is not, and never can be, directed against our English friends, embracing our other allies, might be attached, perhaps in the form of the pact, but a Franco-British pact must be the kernel basis of them all."

The correspondent says M. Briand spoke with marked feeling, almost tears, of the comment evoked in Britain and America concerning the trade of the French delegation at Washington conference.

PARIS PRESS DENIES IMPERIALISTIC CHARGE

Calls Submarine Threat Quoted by Lord Lee a Myth.

PARIS, Jan. 2.—The Temps to-day alludes to the speech made by Lord Lee of the British delegation at Washington